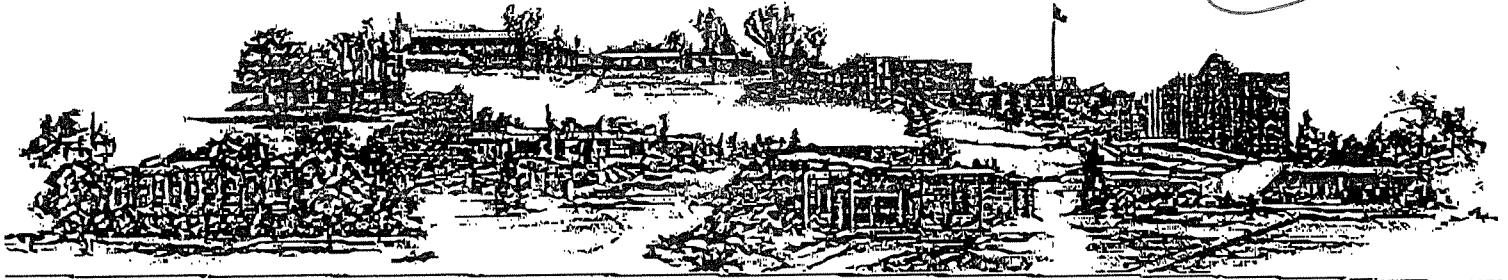


(3)



ACTON PUBLIC SCHOOLS ♦ ACTON-BOXBOROUGH REGIONAL SCHOOL DISTRICT

16 Charter Road Acton, MA 01720-2995 Phone: 978-264-4700 Fax: 978-263-8409 Email: bryan@mail.ab.mec.edu

William L. Ryan
Superintendent of SchoolsFAX TRANSMISSION COVER SHEETDate: 2/19/04PLEASE DELIVER THE ATTACHED TO:Name: Don JohnsonFirm: Acton Town HallFAX No: 1-978-264-9630THIS MESSAGE IS BEING SENT FROM:Name William L. RyanActon Public SchoolsFirm: Acton-Boxborough Regional School DistrictFAX No: 1 (978) 263-8409WE ARE TRANSMITTING 10 PAGES, INCLUDING THIS COVER SHEET.MESSAGE:Letter to Jim Johnson, DOR1/13/04

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William L. Ryan
Superintendent of Schools**FAX TRANSMISSION COVER SHEET**Date: 2/13/04**PLEASE DELIVER THE ATTACHED TO:**Name: Walter FosterFirm: Smith/DugganFAX No: 617-248-9320**THIS MESSAGE IS BEING SENT FROM:**Name William L. RyanActon Public SchoolsFirm: Acton-Boxborough Regional School DistrictFAX No: 1 (978) 263-8409WE ARE TRANSMITTING 9 PAGES, INCLUDING THIS COVER SHEET.**MESSAGE:** Letter to Jim Johnson, DOR

**ACTON PUBLIC SCHOOLS ♦ ACTON-BOXBOROUGH REGIONAL SCHOOL DISTRICT**

16 Charter Road Acton, MA 01720-2995 Phone: 978-264-4700 Fax: 978-263-8409 Email: bryan@mail.ab.mec.edu

January 13, 2004

William L. Ryan
Superintendent of Schools

James R. Johnson, Director of Accounts
Massachusetts Department of Revenue
Division of Local Services
51 Sleeper Street
Boston, Massachusetts 02210

Re: Acton-Boxborough Regional School District

Dear Mr. Johnson:

As we have discussed, the Acton-Boxborough Regional School District (the "District") issued \$39,000,000 School Bond Anticipation Notes on April 3, 2003. These notes bear interest payable in fiscal years 2004 and 2005. Each of the District's member towns (Acton and Boxborough) (the "Member Towns") voted, to exclude the raising of their respective shares of debt service on the notes and the bonds in anticipation of which they were issued, from the limitations of Proposition 2 1/2. When the notes were sold, the District realized an original issue premium of \$1,019,902 (the "Premium"). When it established its fiscal 2004 budget, the District applied one-half of the Premium, net of associated issuance costs (\$498,451), to reduce the amount of debt service each Member Town would need to raise outside its respective levy limit to pay debt service on the notes in fiscal 2004. The District's plan called for using the balance of the Premium in a similar manner in fiscal year 2005.

Following the approval of the District's fiscal 2004 budget, the District was advised that the level of state aid included in its budgetary assumptions would be significantly reduced. To address this reduction, the District took a number of significant cost cutting measures, and seeks to offset the balance of lost state education aid by applying the balance of the Premium to meet the current fiscal year's budget. While this approach is permitted, the Municipal Relief Act (Chapter 46, Section 33 of the Acts of 2003) would seem to require the application of one half of the Premium in fiscal 2005 to reduce the amount of exempt debt service on the notes raised by the Member Towns on account of debt service coming due in fiscal 2005.

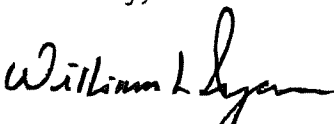
The District would like your office to consider its application of one-half of the Premium in fiscal 2004 to reduce the amount of excluded debt service each Member Town needed to raise in fiscal year 2004, which was not required by the terms of the Municipal Relief

- 2 -

Act, as satisfaction of its application of that amount in fiscal year 2005, otherwise be required by the terms of the Municipal Relief Act. I have enclosed with this letter, resolutions approved by the Regional District School Committee of the District, along with similar resolutions approved by the Boards of Selectmen in the Towns of Acton and Boxborough, requesting your favorable consideration of this request.

I appreciate your help and advice in this matter. I would be pleased to meet with you or your staff at your earliest convenience if you would care to discuss this matter further. Once again, thank you for your help.

Sincerely,



William L. Ryan

c: Jo-Ann Berry
Terry Lindgren
John Fallon
George Frost
Sharon Summers

RESOLUTION

WHEREAS; The Acton-Boxborough Regional School District (the "District") issued its \$39,000,000 School Bond Anticipation Notes on April 3, 2003 (the "Notes") which Notes bear interest payable in fiscal years 2004 and 2005; and

WHEREAS; In connection with the sale of the Notes, the District realized an original issue premium in the amount of \$1,019,902 (the "Premium"); and

WHEREAS; The Towns of Acton and Boxborough (the "Member Towns") each have voted, in accordance with the provisions of Chapter 59, Section 21C of the General Laws (Proposition 2 1/2) to exclude their respective shares of debt service on the Notes and the bonds in anticipation of which the Notes were issued, from the limitation of Proposition 2 1/2, so-called; and

WHEREAS; The District's approved budget for fiscal 2004 had applied one-half of the Premium, net of associated issuance costs (\$498,451), to reduce the amount of debt service each Member Town would raise outside its respective levy limit to pay maturing debt service on the Notes in the current fiscal year and called for the use of the balance of the Premium in a similar manner for fiscal 2005, and

WHEREAS; Chapter 46, Section 33 of the Acts of 2003, (the "Municipal Relief Act"), provides, in substance, that commencing with the fiscal year beginning July 1, 2004, premiums received on account of bonds or notes, the debt service on which has been excluded for the limitations of Proposition 2 1/2, shall be offset against the stated interest cost of such bonds or notes in computing the debt exclusion applicable to such bonds or notes; and

WHEREAS; Following the approval of the District's budget for the current fiscal year, the District was advised that anticipated levels of state aid for education would be significantly reduced; and

WHEREAS; The District has proposed a series of cost reductions to help meet the state aid reductions and seeks to offset the balance of the lost state aid to education with the use of the balance of the premium in the current fiscal year; and

WHEREAS; In computing the amounts to be raised in each Member Town's respective levy limit on account of maturing debt service on the Notes in fiscal 2005, the Massachusetts Department of Revenue's Division of Local Services (the "Department") is required to reduce any such amounts by an amount equal to one-half of the premium; and

WHEREAS; By the District's application of one-half of the Premium in fiscal 2004, which was not required until fiscal 2005, the amounts raised by the Member Town on account of maturing debt service in the Notes were reduced in accordance with the requirements of the Department, although one year earlier than called for by the Municipal Relief Act,

Now therefore, it is hereby resolved as follows:

The Regional District School Committee of the Acton-Boxborough Regional School District hereby requests that the Department treat the application of one-half of the Premium by the District to reduce the raising of excluded debt service on the Notes by the Member Towns for fiscal 2004, as meeting the required application of one-half of the Premium to offset excluded debt service on the Notes to be raised by the Member Towns in fiscal 2005, with the result that the Department will not require the Member Towns to offset their respective shares of excluded debt service on account of the Notes in fiscal 2005 by the application of one-half of the Premium.

This Resolution has been approved by the Acton-Boxborough Regional District School Committee by vote of 6 in favor and 0 opposed. Witness our hands this 16th day of December, 2003.

REGIONAL DISTRICT SCHOOL COMMITTEE
OF THE ACTON-BOXBOROUGH REGIONAL
SCHOOL DISTRICT

John Berry

John Falke

Rebecca Neill

Maria Altieri

Myron P. Ashton

Will G. Giff

RESOLUTION

WHEREAS; The Acton-Boxborough Regional School District (the "District") issued its \$39,000,000 School Bond Anticipation Notes on April 3, 2003 (the "Notes") which Notes bear interest payable in fiscal years 2004 and 2005; and

WHEREAS; In connection with the sale of the Notes, the District realized an original issue premium in the amount of \$1,019,902 (the "Premium"); and

WHEREAS; The Towns of Acton and Boxborough (the "Member Towns") each have voted, in accordance with the provisions of Chapter 59, Section 21C of the General Laws (Proposition 2) to exclude their respective shares of debt service on the Notes and the bonds in anticipation of which the Notes were issued, from the limitation of Proposition 2 , so-called; and

WHEREAS; The District's approved budget for fiscal 2004 had applied one-half of the Premium, net of associated issuance costs (\$498,451), to reduce the amount of debt service each Member Town would raise outside its respective levy limit to pay maturing debt service on the Notes in the current fiscal year and called for the use of the balance of the Premium in a similar manner for fiscal 2005, and

WHEREAS; Chapter 46, Section 33 of the Acts of 2003, (the "Municipal Relief Act"), provides, in substance, that commencing with the fiscal year beginning July 1, 2004, premiums received on account of bonds or notes, the debt service on which has been excluded for the limitations of Proposition 2 , shall be offset against the stated interest cost of such bonds or notes in computing the debt exclusion applicable to such bonds or notes; and

WHEREAS; Following the approval of the District's budget for the current fiscal year, the District was advised that anticipated levels of state aid for education would be significantly reduced; and

WHEREAS; The District has proposed a series of cost reductions to help meet the state aid reductions and seeks to offset the balance of the lost state aid to education with the use of the balance of the premium in the current fiscal year; and

WHEREAS; In computing the amounts to be raised in each Member Town's respective levy limit on account of maturing debt service on the Notes in fiscal 2005, the Massachusetts Department of Revenue's Division of Local Services (the "Department") is required to reduce any such amounts by an amount equal to one-half of the premium; and

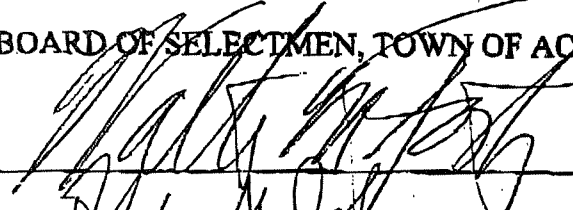
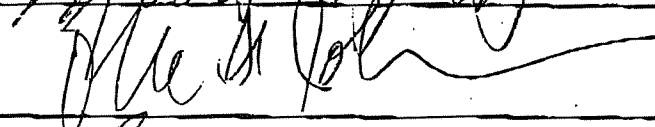
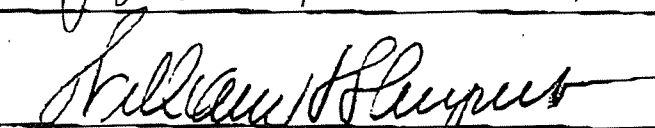
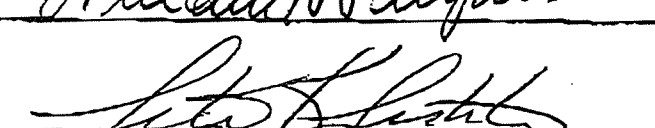
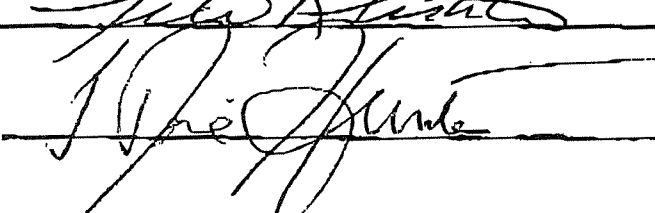
WHEREAS; By the District's application of one-half of the Premium in fiscal 2004, which was not required until fiscal 2005, the amounts raised by the Member Town on account of maturing debt service in the Notes were reduced in accordance with the requirements of the Department, although one year earlier than called for by the Municipal Relief Act,

Now therefore, it is hereby resolved as follows:

The Board of Selectmen of the Town of Acton hereby requests that the Department treat the application of one-half of the Premium by the District to reduce the raising of excluded debt service on the Notes by the Member Towns for fiscal 2004, as meeting the required application of one-half of the Premium to offset excluded debt service on the Notes to be raised by the Member Towns in fiscal 2005, with the result that the Department will not require the Member Towns to offset their respective shares of excluded debt service on account of the Notes in fiscal 2005 by the application of one-half of the Premium.

This Resolution has been approved by Board of Selectmen of the Town of Acton by vote of 5 in favor and 0 opposed. Witness our hands this 15th day of December, 2003.

BOARD OF SELECTMEN, TOWN OF ACTON

RESOLUTION

WHEREAS; The Acton-Boxborough Regional School District (the "District") issued its \$39,000,000 School Bond Anticipation Notes on April 3, 2003 (the "Notes") which Notes bear interest payable in fiscal years 2004 and 2005; and

WHEREAS; In connection with the sale of the Notes, the District realized an original issue premium in the amount of \$1,019,902 (the "Premium"); and

WHEREAS; The Towns of Acton and Boxborough (the "Member Towns") each have voted, in accordance with the provisions of Chapter 59, Section 21C of the General Laws (Proposition 2) to exclude their respective shares of debt service on the Notes and the bonds in anticipation of which the Notes were issued, from the limitation of Proposition 2 , so-called; and

WHEREAS; The District's approved budget for fiscal 2004 had applied one-half of the Premium, net of associated issuance costs (\$498,451), to reduce the amount of debt service each Member Town would raise outside its respective levy limit to pay maturing debt service on the Notes in the current fiscal year and called for the use of the balance of the Premium in a similar manner for fiscal 2005, and

WHEREAS; Chapter 46, Section 33 of the Acts of 2003, (the "Municipal Relief Act"), provides, in substance, that commencing with the fiscal year beginning July 1, 2004, premiums received on account of bonds or notes, the debt service on which has been excluded for the limitations of Proposition 2 , shall be offset against the stated interest cost of such bonds or notes in computing the debt exclusion applicable to such bonds or notes; and

WHEREAS; Following the approval of the District's budget for the current fiscal year, the District was advised that anticipated levels of state aid for education would be significantly reduced; and

WHEREAS; The District has proposed a series of cost reductions to help meet the state aid reductions and seeks to offset the balance of the lost state aid to education with the use of the balance of the premium in the current fiscal year; and

WHEREAS; In computing the amounts to be raised in each Member Town's respective levy limit on account of maturing debt service on the Notes in fiscal 2005, the Massachusetts Department of Revenue's Division of Local Services (the "Department") is required to reduce any such amounts by an amount equal to one-half of the premium; and

WHEREAS; By the District's application of one-half of the Premium in fiscal 2004, which was not required until fiscal 2005, the amounts raised by the Member Town on account of maturing debt service in the Notes were reduced in accordance with the requirements of the Department, although one year earlier than called for by the Municipal Relief Act,

Now therefore, it is hereby resolved as follows:

The Board of Selectmen of the Town of Boxborough hereby requests that the Department treat the application of one-half of the Premium by the District to reduce the raising of excluded debt service on the Notes by the Member Towns for fiscal 2004, as meeting the required application of one-half of the Premium to offset excluded debt service on the Notes to be raised by the Member Towns in fiscal 2005, with the result that the Department will not require the Member Towns to offset their respective shares of excluded debt service on account of the Notes in fiscal 2005 by the application of one-half of the Premium.

This Resolution has been approved by Board of Selectmen of the Town of Boxborough by vote of 5 in favor and 0 opposed. Witness our hands this 22 day of December, 2003.

BOARD OF SELECTMEN, TOWN
OF BOXBOROUGH

